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## FISCAL IMPACT REPORT

SPONSOR Campos DATE TYPED 2/6/04 HB 376/aHGUAC

SHORT TITLE Amend Small Counties Assistance Act SB \_\_\_\_\_

ANALYST Gilbert

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
				Recurring	General Fund

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

Response Received From  
Attorney General's Office (AGO)

No Response From  
Taxation and Revenue Department (TRD)

### SUMMARY

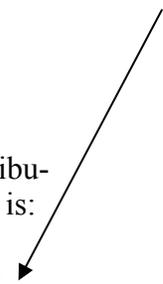
#### Synopsis of HGUAC Amendment

The House Government and Urban Affairs Committee (HGUAC) amendment to House Bill 376 makes the following change to §4-61-3D NMSA 1978:

D. The distribution amount for each qualifying county shall be determined for 2003 and each subsequent year in accordance with the following table; provided that the bracket amounts in the first two columns of the table shall be adjusted annually after 2003 by the adjustment factor.

If the county's total valuation for the preceding property tax year is:

at least:	but less than:	and the county population is:	then the distribution amount is:
\$230,000,000	\$1,400,000,000	under 48,000	<del>\$ 45,000.</del> \$ 50,000



Synopsis of Original Bill

House Bill 376 amends the Small Counties Assistance Act, Section 4-61-2 NMSA 1978, by changing the formula by which the distribution amounts from the small counties assistance fund to qualifying counties are calculated. To determine ceiling valuation for the property tax year, it eliminates reference to the assessed values determined pursuant the Oil and Gas Ad Valorem Production Tax Act, Oil and Gas Production Equipment Ad Valorem Tax Act, or the taxable value determined pursuant to the Copper Production Ad Valorem Tax Act.

Significant Issues

HB 376 may encourage growth in smaller counties, without impacting their distribution from the small counties assistance fund.

**FISCAL IMPLICATIONS**

The Taxation and Revenue Department (TRD) failed to respond to a January 30<sup>th</sup> LFC request for a bill analyses for HB 376. This fiscal impact report will be updated when additional information is received from TRD.

**OTHER SUBSTANTIVE ISSUES**

According to the AGO, it should be noted that pursuant to NMSA 1978, § 12-2A-10(A), any later-enacted statute amending the same statutory sections in this bill would govern over the provisions contained herein. See State v. Smith, Ct. App. Nos. 24,253, 24,254, and 24,258 (filed 01/12/04), pet. for cert. pending.

**RLG/lg:yr**